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Senate Budget & Fiscal Review May 19, 2005

Hearing Outcomes

Subcommittee No. 3: Thursday, May 19, 2005 (Room 4203)
Upon Adjournment

Please refer to May 19th agenda for further information on these issues.
All issues on the Consent Agenda were adopted 3-0

Consent Agenda

0530 Health and Human Services Agency (HHS Agency)

Issue 1: Transfer Automation Projects to HHS Agency

Action:

1. Adopt the May Revision proposed budget bill language (as amended below) for HHS Agency and DSS, and adopt the May Revision trailer bill language, as amended to reflect the LAO recommendations.
2. Amend Provision 1 of 0530-001-9732 as follows: “Notwithstanding any other provision of law, the Department of Finance may adjust this item of appropriation to correct any technical errors related to the Data Center reorganization plan not sooner than 30 days after notification in writing of the necessity therefore to the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the committee, or his or her designee, may in each instance determine.”

Issue 2: Automation System Adjustments

Action: Adopt the May Revision proposed adjustments.

4170 California Department of Aging (CDA)

Issue 3A: Health Insurance Counseling and Advocacy Project

Action: Adopt the spring finance letter to establish 3.0 positions in CDA for HICAP and provide \$1.5 million for local HICAP sites.

4200 Department of Alcohol and Drug Programs (DADP)

Issue 4: Office of Problem Gambling – Culturally Competent Materials

Action: Conform to Assembly action to adopt budget bill language to reappropriate unspent current year Office of Problem Gambling Funds for the creation of culturally-competent literature on problem gambling in languages other than English and other culturally appropriate activities.

Issue 6: Drug Procurement Savings

Action: Adopt the proposed budget bill language.

Issue 7: Dependency Drug Courts

Action: Adopt the May Revision proposal in the DADP and DSS budgets, and placeholder LAO recommended trailer bill language.

5160 Department of Rehabilitation (DOR)**Issue 9: Tuition Cost Increases for DOR Consumers**

Action: Approve the requested increase of \$908,000 (\$193,000 General Fund) to fund an increase in tuition costs for DOR consumers.

5175 Department of Child Support Services (DCSS)**Issue 10: Increase Federal Funds to Match Voluntary County Contributions**

Action: Approve the additional federal fund authority and the proposed budget bill language.

Issue 11: Child Support Recovery Fund

Action: Approve the requested an increase of \$1.9 million federal funds and a corresponding decrease of \$1.9 million Child Support Recovery Fund, to reflect updated child support collections estimates.

Issue 12: Child Support Automation System Funding

Action: Approve the requested carryover and increase of federal funds for CCSAS.

5180 Department of Social Services (DSS)**Issue 13: Community Care Licensing Trigger Elimination Proposal**

Action: Conform to Assembly: Reinstate the trigger and adopt supplemental reporting language recommended by the LAO to require the department to report to the Legislature in January on the number of citations, complaints, and visits completed.

Issue 14: Greshler v. Anderson Decision on Criminal Background Check Process

Action: Approve the request for positions to comply with *Greshler v. Anderson*.

Issue 15: Community Care Licensing – Fee-Exempt LiveScan

Action: Amend the proposed trailer bill language to suspend the exemption for one additional year.

Issue 16: May Revision Caseload Adjustments

Action: Adopt the LAO recommendation to rescind previous action on LAO findings and adopt the May Revision caseload adjustments. Adopt the LAO recommendation to reduce CAPI funding by \$2,450,000 to reflect reduced caseload. Maintain the Subcommittee's prior action to reinvest Foster Care Administration savings in county Foster Care Administration.

Issue 18: Food Stamp Simplification Options

Action: Adopt the May Revision Food Stamp simplification changes.

Issue 20: Delayed Cash Assistance Program for Immigrants (CAPI) Advocacy

Action: Approve the May Revision adjustment to CAPI Advocacy.

Issue 21: In-Home Supportive Services (IHSS) Share of Cost

Action: Adopt the May Revision adjustment to apply Medi-Cal share of cost rules to IHSS recipients.

Issue 22: Peer Quality Case Reviews

Action: Adopt the May Revision proposal for Peer Quality Case Reviews.

Issue 24: Kinship/Foster Care Emergency Funds

Action: Adopt the May Revision proposal for Kinship/Foster Care Emergency Funds.

Issue 25A: Child Welfare Services (CWS) Outcome Improvement Project

Action: Adopt the May Revision proposal.

Issue 26: SB 2030 Caseload Reporting

Action: Adopt placeholder Trailer Bill Language requiring the Department of Social Services to report at the time of budget hearings, comparing the Governor's proposed budget for CWS, including the augmentation and hold harmless funds, to the caseload standards recommended by the SB 2030 study updated for cost-of-doing business and the use of CWS funds for non-case-carrying activities.

Issue 27A: CalWORKs Program Funding

Action:

1. Reject the CalWORKs sanctions proposal.
2. Accept the May Revision proposal to rescind the CalWORKs Earned Income Disregard Reduction proposal.
3. Adopt placeholder trailer bill language from County Welfare Directors Association on the Pay for Performance proposal.

Issue 28: CalWORKs Performance Monitoring Proposal

Action: Adopt placeholder trailer bill language to improve CalWORKs data collection and management reporting information.

Issue 31: Effect of Unallocated Reduction on Community Care Licensing

Action: Adopt placeholder trailer bill language to require the department to report to the Legislature no later than September 30, 2005 on how the unallocated reduction will be distributed and the resulting programmatic affects, and in particular the expected affect on CCL.

[End of Consent Agenda]

4170 California Department of Aging (CDA)**Issue 3B: Health Insurance Counseling and Advocacy Project**

Action: Conform to Assembly action and adopt placeholder trailer bill language to increase funding for HICAP by \$2 million by increasing the HICAP assessment, and allocate the entire \$2 million in additional funding to local HICAP agencies and prohibit the use of this funding for the Department of Aging or Area Agency on Aging administrative costs.

Vote: 2-1 (Runner)

4200 Department of Alcohol and Drug Programs (DADP)**Issue 5: Drug Medi-Cal May Revision Adjustments**

Action: Redirect the \$2.2 million (\$1.1 million General Fund) in caseload savings back to the department to increase Drug Medi-Cal rates as a partial offset for the previous rate reduction. Replace Provision 4 of Item 4200-102-0001 and Provision 5 of Item 4200-103-0001 with the following language:

Of the combined amounts appropriated in Items 4200-102-0001 and 4200-103-0001, \$1,104,000 General Fund, and corresponding reimbursements, is for the purpose of augmenting Drug Medi-Cal rates above the 2002-03 rate level. The department shall establish increases in maximum reimbursement rates for Drug Medi-Cal services in the fiscal year to reflect the additional General Fund and reimbursements appropriated in this item.

Vote: 2-1 (Runner)

4700 Department of Community Services and Development (DCSD)**Issue 8: Naturalization Services Program**

Action: Due to the significant need for citizenship services and the benefits to the community of increased citizenship rates, revise the previous action to reflect a total of \$2.5 million General Fund for this program.

Vote: 2-1 (Runner)

5180 Department of Social Services (DSS)**Issue 17: Nursing Initiative**

Action: Conform to action taken in Senate Subcommittee No. 5, and approve the Employment Training Fund reduction and General Fund backfill.

Vote: 2-1 (Runner)

Issue 19: State and Federal Cost of Living Adjustments (COLAs) for Supplemental Security Income/State Supplemental Payment (SSI/SSP)

Action: Reject the Governor's proposal to suspend the federal SSI January 2006 COLA and the state SSP January 2006 COLA.

Vote: 2-1 (Runner)

Issue 23: Indian Child Welfare Act (ICWA)

Action: Approve \$150,000 (\$75,000 General Fund) and establish 1.0 position to work with stakeholders and support ICWA compliance. Adopt placeholder trailer bill language to specify that the department should coordinate training and technical assistance for counties on ICWA.

Vote: 2-1 (Runner)

Issue 25B: Child Welfare Services (CWS) Outcome Improvement Project

Action: Reflect an additional \$3.5 million General Fund for additional CWS Outcome Improvement Project funding, and funding for a Point of Engagement model expansion evaluation.

Vote: 2-1 (Runner)

Issue 27B: CalWORKs Program Funding

Action:

1. Reject the following proposals (including associated trailer bill language):
 - a. Reduce CalWORKs grants (including rejection of proposed trailer bill language to delete the October 2003 COLA in the event that the state loses its appeal in the *Guillen* case).
 - b. Eliminate CalWORKs COLAs
 - c. Child Care Reductions (conform to Assembly and to Senate Subcommittee No. 1)
2. Redirect \$201 million TANF from Juvenile Probation back to CalWORKs grants and child care, and backfill the TANF in Juvenile Probation with General Fund (conforming to action in the Assembly and Senate Subcommittee No. 5).
3. Fund the CalWORKs COLA by replacing \$135 million in TANF Transfers to CWS, Department of Developmental Services, and Foster Care for Title XX with General Fund (reject the trailer bill language to allow new TANF transfers to Title XX for Foster Care). Use the \$135 million in TANF to restore the CalWORKs COLA.
4. Shift needed funds from the TANF reserve to fund CalWORKs and child care (conform to Assembly).

Vote: 2-1 (Runner)

Issue 29: Quarterly Reporting/Prospective Budgeting

Action:

1. Adopt placeholder trailer bill language to allocate unspent prior-year TANF funding to counties in 2005-06 for CalWORKs Administration (conform to Assembly).
2. Reduce Prospective Budgeting/Quarterly Reporting savings in Food Stamp and CFAP Administration by \$10 million General Fund (conform to Assembly).

Vote: 2-1 (Runner)

Issue 30: Adoption Assistance Program (AAP) Technical Assistance

Action: Approve \$100,000 General Fund and matching federal funds for the provision of statewide Adoptions Assistance Program training (conform to Assembly).

Vote: 2-1 (Runner)

Issue 32: SB 1104 CalWORKs Clarification

Action: Adopt placeholder trailer bill language that clarifies that activities currently counted toward the 20 hours of core welfare-to-work (WTW) activities not be excluded because a client is engaged in other activities that are not clearly designated as either core or non-core activities. Trailer bill language would also indicate that hours spent making satisfactory progress in a secondary school is an allowable WTW activity under specified conditions (conform to Assembly).

Vote: 2-1 (Runner)